

---

**URBAN STRATEGIES, INC.**  
**FINANCIAL STATEMENTS**  
**DECEMBER 31, 2012**

---

Under provisions of state law this report is a public document. A copy of the report has been submitted to the entity and other appropriate public officials. The report is available for public inspection at the Baton Rouge office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Release Date OCT 09 2013

## **Contents**

---

	<b>Page</b>
<b>Independent Auditors' Report</b> .....	1 - 2
 <b>Financial Statements</b>	
Statement Of Financial Position .....	3
Statement Of Activities .....	4
Statement Of Cash Flows .....	5
Notes To Financial Statements .....	6 - 26
 <b>Supplementary Information</b>	
Independent Auditors' Report On Supplementary Information .....	27
Schedule Of Program Revenues .....	28
Schedules Of Expenses .....	29 - 30



RubinBrown LLP  
Certified Public Accountants  
& Business Consultants

One North Brentwood  
Saint Louis, MO 63105

T 314 290 3300  
F 314 290 3400

W [rubinbrown.com](http://rubinbrown.com)  
E [info@rubinbrown.com](mailto:info@rubinbrown.com)

## **Independent Auditors' Report**

Board of Directors  
Urban Strategies, Inc.  
St. Louis, Missouri

### **Report On The Financial Statements**

We have audited the accompanying financial statements of Urban Strategies, Inc., a not-for-profit organization, which comprise the statement of financial position as of December 31, 2012 and 2011, and the related statements of activities and cash flows for the years then ended, and the related notes to the financial statements

### ***Management's Responsibility For The Financial Statements***

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America, this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error

### ***Auditors' Responsibility***

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion

***Opinion***

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Urban Strategies, Inc. as of December 31, 2012 and 2011, and the results of its operations and its cash flows for the years then ended, in accordance with accounting principles generally accepted in the United States of America

***Correction Of Error***

As described in Note 11 of the financial statements, the 2011 financial statements have been restated to correct an error in the recording of planning expenses and accounts receivable, net of allowance. Planning expenses previously expensed will be reimbursed and therefore are receivable. Accounts receivable, net of allowance was increased by \$104,481, planning expense was decreased by \$10,303, and net assets were increased by \$94,178. The increase in net assets for the year ended December 31, 2011 was increased by \$10,303

*RubinBrown LLP*

September 30, 2013

**URBAN STRATEGIES, INC.**

---

**STATEMENT OF FINANCIAL POSITION**

	<b>December 31,</b>	
	<b>2012</b>	<b>2011 (As Restated - Note 11)</b>
<b>Assets</b>		
Cash	\$ —	\$ 921
Cash - restricted (Note 2)	249,906	117,774
Accounts receivable, net of allowance (Note 9)	1,386,327	1,393,767
Grants receivable	1,180,000	99,875
Accrued interest receivable (Note 3)	719,797	631,533
Notes receivable (Note 3)	3,025,897	2,397,385
Property and equipment (Note 4)	47,283	57,321
Prepaid expenses	3,345	3,675
<b>Total Assets</b>	<b>\$ 6,612,555</b>	<b>\$ 4,702,251</b>

<b>Liabilities And Net Assets</b>		
<b>Liabilities</b>		
Accounts payable and accrued expenses (Note 9)	\$ 630,940	\$ 255,846
Notes payable (Note 6)	400,000	370,000
Other liabilities (Note 10)	394,418	112,872
Federal advances	34,715	—
<b>Total Liabilities</b>	<b>1,460,073</b>	<b>738,718</b>
<b>Net Assets</b>		
Unrestricted		
Investments in property and equipment	47,283	57,321
Accrued interest and notes receivable	3,745,694	3,028,918
Undesignated	(233,459)	137,310
<b>Total Unrestricted</b>	<b>3,559,518</b>	<b>3,223,549</b>
Temporarily restricted (Note 7)	1,592,964	739,984
<b>Total Net Assets</b>	<b>5,152,482</b>	<b>3,963,533</b>
<b>Total Liabilities And Net Assets</b>	<b>\$ 6,612,555</b>	<b>\$ 4,702,251</b>

**URBAN STRATEGIES, INC.**  
**STATEMENT OF ACTIVITIES**

	For The Years Ended December 31,	
	2012	2011 (As Restated - Note 11)
<b>Changes In Unrestricted Net Assets</b>		
<b>Revenues And Support</b>		
Contribution and grant revenue	\$ 555,339	\$ 421,194
Federal grants	411,793	793,616
Program revenues (Note 9)	4,831,557	4,045,719
Interest income	305,922	306,739
Net assets released from restrictions (Note 7)	1,187,220	929,250
<b>Total Revenues And Support</b>	<b>7,291,831</b>	<b>6,496,518</b>
<b>Expenses</b>		
Program Services		
Planning	321,354	605,925
Integrated service delivery	4,819,389	3,960,089
Policy development	50,000	—
Leadership development and sustainability	1,162,774	653,648
Total Program Services	6,353,517	5,219,662
General and administrative	352,819	235,920
Fundraising	147,937	68,034
<b>Total Expenses</b>	<b>6,854,273</b>	<b>5,523,616</b>
<b>Other Increase (Decrease) In Unrestricted Net Assets</b>		
Forgiveness of interest (Note 3)	(211,529)	(211,529)
Amortization income on notes receivable (Note 3)	109,419	79,157
Other income	521	—
<b>Total Other Decrease In Unrestricted Net Assets</b>	<b>(101,589)</b>	<b>(132,372)</b>
<b>Increase In Unrestricted Net Assets</b>	<b>335,969</b>	<b>840,530</b>
<b>Changes In Temporarily Restricted Net Assets</b>		
Contribution and grant revenue	2,040,200	328,689
Net assets released from restrictions (Note 7)	(1,187,220)	(929,250)
<b>Decrease In Temporarily Restricted Net Assets</b>	<b>852,980</b>	<b>(600,561)</b>
<b>Increase In Net Assets</b>	<b>1,188,949</b>	<b>239,969</b>
<b>Net Assets - Beginning Of Year</b>	<b>3,963,533</b>	<b>3,723,564</b>
<b>Net Assets - End Of Year</b>	<b>\$ 5,152,482</b>	<b>\$ 3,963,533</b>

**URBAN STRATEGIES, INC.**  
**STATEMENT OF CASH FLOWS**

	<b>For The Years Ended December 31,</b>	
	<b>2012</b>	<b>2011 (As Restated - Note 11)</b>
<b>Cash Flows From Operating Activities</b>		
Increase in net assets	\$ 1,188,949	\$ 239,969
Adjustments to reconcile increase in net assets to net cash provided by (used in) operating activities		
Depreciation and amortization	10,038	10,037
Forgiveness of interest	211,529	211,529
Amortization income on notes receivable	(109,419)	(79,157)
Changes in operating assets and liabilities		
(Increase) decrease in accounts receivable	7,440	(487,439)
(Increase) decrease in grants receivable	(1,080,125)	282,625
Increase in interest receivable	(299,793)	(295,557)
Increase in accounts payable and accrued expenses	375,094	46,325
Increase (decrease) in grants payable	34,715	(180,000)
Increase (decrease) in prepaid expenses	330	(3,675)
<b>Net Cash Provided By (Used In) Operating Activities</b>	<b>338,758</b>	<b>(255,343)</b>
<b>Cash Flows Provided By (Used In) Investing Activities</b>		
Payments received on notes receivable	(519,093)	14,725
<b>Cash Flows From Financing Activities</b>		
Bank overdraft	—	—
Net borrowings from notes payable	30,000	220,000
(Repayments of) advances from affiliates	281,546	(126,399)
<b>Net Cash Provided By Financing Activities</b>	<b>311,546</b>	<b>93,601</b>
<b>Net Increase (Decrease) In Cash</b>	<b>131,211</b>	<b>(147,017)</b>
<b>Cash - Beginning Of Year</b>	<b>118,695</b>	<b>265,712</b>
<b>Cash - End Of Year</b>	<b>\$ 249,906</b>	<b>\$ 118,695</b>

---

## **URBAN STRATEGIES, INC.**

### **NOTES TO FINANCIAL STATEMENTS December 31, 2012 And 2011**

---

#### **1. Organization And Summary Of Significant Accounting Policies**

Urban Strategies (the Organization) is organized as a not-for-profit organization, under Section 501(c)(3) of the Internal Revenue Code. The mission of the Organization is to build healthy, sustainable urban communities through comprehensive community and economic development. The Organization works with local residents to develop innovative community redevelopment plans, connect human and social service support to the physical redevelopment of the communities, and match local, state, federal and private resources to those efforts.

##### **Basis Of Accounting**

The financial statements of the Organization have been prepared on the accrual basis of accounting and accordingly reflect all significant receivables, payables, and other liabilities.

##### **Basis Of Presentation**

The Organization is required to report information regarding its financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets. The Organization does not have any permanently restricted net assets.

##### **Estimates And Assumptions**

Management uses estimates and assumptions in preparing financial statements. Those estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and the reported revenues and expenses. Actual results could differ from those estimates.

##### **Cash**

The Organization invests its excess cash in debt instruments with financial institutions with strong credit ratings and has established guidelines relative to diversification and maturities that maintain safety and liquidity. At times, such amounts may be in excess of the Federal Deposit Insurance Corporation (FDIC) insurance amounts.



## **URBAN STRATEGIES, INC.**

---

### **Notes To Financial Statements (Continued)**

#### **Accounts Receivable**

Accounts receivable are stated at the amount management expects to collect from balances outstanding at year end. Based on management's assessment of the credit history with clients having outstanding balances and current relationships with them, it has concluded that realization losses on balances outstanding at year end will be immaterial

#### **Notes Receivable**

The notes receivable are stated at the amount management expects to collect from balances outstanding at year end. Management provides for an allowance for loan losses based on its estimate of probable losses. Interest income is recognized when earned in accordance with the loan terms. The allowance for loan losses is increased by charges to income and decreased by charge-offs (net of recoveries). Management's periodic evaluation of the adequacy of the allowance is based on the performances of past loan loss experience, known and other risks inherent in the portfolio, specific impaired loans, adverse situations that may affect the borrower's ability to repay, estimated value of any underlying collateral, and current economic conditions.

A loan is considered impaired when, based on currently available information, it is probable that the Organization will not collect all of the principal and interest contractually required by the loan agreement. All impaired loans are evaluated for an asset-specific allowance for credit losses. The Organization recognizes an allowance for credit losses on impaired loans when the recorded investment in the loan exceeds estimates of the cash flows expected to be received from the borrower, discounted using the original effective interest rate of the loan. Management has determined that no loans have been impaired as of December 31, 2012 or 2011.

#### **Property And Equipment**

Property and equipment are carried at cost or fair value at date of gift, if donated, less accumulated depreciation computed using the straight-line method over seven years

#### **Restricted And Unrestricted Support**

The Organization reports gifts of cash and other assets as unrestricted, temporarily restricted, or permanently restricted support, depending on the existence and/or nature of any donor restrictions. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, temporarily restricted net assets are classified to unrestricted net assets and reporting in the statement of activities as net assets released from restrictions

## **URBAN STRATEGIES, INC.**

---

### Notes To Financial Statements (*Continued*)

#### **Description Of Program Services And Supporting Activities**

The following program services and supporting activities are included in the accompanying financial statements.

#### **Planning:**

**Community Planning & Human Capital Development** - Urban Strategies works with residents and former residents, Public Housing Authorities (PHA), city government officials, community organizations, foundations and other stakeholders to facilitate community engagement processes around neighborhood conditions and human services needs. The process typically includes gathering data from existing sources, both formally and informally, surveying residents, assessing service and amenity needs, facility town hall meetings, and facilitating focus groups with key stakeholders

Through the community engagement process, stakeholders' priorities are identified, and Urban Strategies develops a human capital plan that is integrated with the planned physical revitalization based on the community's vision. Because Urban Strategies is mindful of the existing and authentic strengths of a community, their human capital plans focus on collaboration, building on community assets and strengthening capacity while avoiding duplication of services

**Early Project Development** - Urban Strategies is sometimes engaged by one of the developers it works with, McCormack Baron Salazar (MBS), to assist with early development of projects. This work includes traveling to potential project sites to assess the suitability of the community for a mixed-income redevelopment, assess the human capital needs that must be addressed as part of that redevelopment, meet with local officials to engage in preliminary discussion about the type of scope of the potential redevelopment project, project costs, and conduct early investigation of potential funding sources.

**Economic Development** - Residents in revitalizing communities desire nearby retail outlets for convenience, necessity, and employment. Retail sales outlets also attract new residents. Communities engage Urban Strategies to develop neighborhood-based economic development plans, including new commercial enterprises and enhancements to existing commercial and retail efforts. We have the expertise to design business and implementation plans, capacity studies and funding/capital access plans to help communities build vibrant commercial corridors. Urban Strategies also supports the design and implementation of social enterprises that empower residents economically by connecting them to business development opportunities.

**Enhanced Schools** - We believe that improving schools is central to every re-emerging community. For more than ten years, Urban Strategies has worked in neighborhood elementary schools to establish and maintain mixed-income communities and support social, economic and racial integration. We have worked in partnership with the Atlanta, District of Columbia, Memphis, Minneapolis, New Orleans and St. Louis Public School Districts to lead improvements in physical infrastructure, governance, curriculum, technology and community engagement in neighborhood schools and support academic achievement as a tool for ensuring positive economic mobility. Urban Strategies also recognizes that setting or changing school policy is beyond their control, which is why it is critical that they not only support schools by working within the system, but also supporting the development or implementation of ancillary programming outside of school hours to support high academic achievement.

**Supportive Housing** - Certain populations require additional services or physical accommodations due to physical disability, developmental limitations, or homelessness, and Urban Strategies is committed to maximizing opportunities for all to live successfully and to achieve the greatest possible degree of self-sufficiency where they live.

Urban Strategies works with organizations representing populations with special housing needs to design frameworks and financial structures that help residents to live independently with both pride and appropriate support systems.

**Integrated Service Delivery:**

**Healthy Living** - Limited access to health insurance and treatment for physical and mental health issues, as well as the lack of health education and prevention efforts, are significant barriers for low-income families attempting to achieve self-sufficiency. Urban Strategies designs community health initiatives that are directly linked to key physical and mental health indicators. Anecdotal and quantitative data on the impact of healthy living on community vitality is often a basis for raising new funds to support healthy living initiatives.

**HOPE VI Community & Supportive Services/CHOICE Neighborhoods Initiative "People" Component** - The U.S. Department of Housing and Urban Development's HOPE VI Program and CHOICE Neighborhood Initiatives both require that a plan and implementation strategy for Community and Supportive Services be put in place to help residents of redeveloping neighborhoods make progress toward self-reliance.

Urban Strategies works with Public Housing Authorities across the country to creatively design and implement services that address the specialized needs of individuals and families and link them to a variety of relocation services. We also design comprehensive plans in collaboration with the community so that the plan reflects a community's values and vision for future strength.

**Senior Programming** - Senior living facilities are only as successful as the programming and services put in place to support their residents, and we are committed to continuously expanding our knowledge about aging, improving the design of senior facilities, and making superior services available to the senior residents we serve. Urban Strategies works with McCormack Baron Ragan Management Services (MBRMS) and Public Housing Authorities across the country to assist in the physical design of senior housing facilities and the development of a network of programs that enhance and support the independent living of elderly residents. Urban Strategies has conducted research into successful senior living and has considerable experience crafting and implementing policy affecting seniors.

## **URBAN STRATEGIES, INC.**

---

### **Notes To Financial Statements (*Continued*)**

**Community Centers** - At several mixed-income housing sites either under development by MBS or under management by MBRMS, the Organization has been contracted to manage and coordinate programming in a community center building. The Organization is responsible for staffing, operating and maintaining the facility. The Organization recruits service partners to offer programming that meets the needs of residents and to manage those partnerships. The Organization also engages in outreach and marketing efforts to inform residents and the larger community of the opportunities available at the community center

#### **Policy Development:**

**Policy Development** - Because of our successful track record in rebuilding communities, Urban Strategies works with cities and foundations to evaluate the success and policy implications of certain third-party programs and services. We are currently engaged in several consulting projects and policy papers around our work in workforce development, housing, sustainability, and school enhancement.

#### **Leadership Development And Sustainability:**

**Capacity Building** - Urban Strategies provides technical support and assistance to other organizations in the communities where it works. The goal of this assistance is to help build the capacity of those smaller organizations to serve more residents and improve the quality of their programs, making the community more self-sustaining. Examples of such capacity building projects include working with small social service not-for-profit organizations to help them increase the quality of their programs, and working with a business enterprise started by a group of residents to help them scale that business up.

**Community Services Liaisons** - Community Services Liaisons are Urban Strategies' social service specialists who support residents and management in McCormack Baron Salazar/McCormack Baron Ragan neighborhoods across the country. Liaisons work with residents to develop community awareness and participation in activities on the property and within the larger community. They also assist residents in self-improvement, self-sufficiency and community building. Urban Strategies developed the Community Services Liaison position to support the success of residents in new mixed-income communities. Urban Strategies currently employs Community Services Liaisons in St. Louis, Minneapolis, Memphis and Miami.

## **URBAN STRATEGIES, INC.**

---

### **Notes To Financial Statements (*Continued*)**

**Fund Development** - Funding is critical to the work of rebuilding communities. In conjunction with community planning efforts, Urban Strategies develops strategies for building human capital and economic development plans

Urban Strategies also designs innovative funding strategies that combine public and private resources. By leveraging and reallocating existing resources, identifying key partnerships, and locating new sources of funds, we seek to improve the access of children and adults to high-quality facilities and programs without placing major new burdens on cities that may be facing scarcities of resources.

**Literacy Initiatives** - Strong reading skills are vital to success in school and the workplace. Urban Strategies has begun to develop and implement specialized programs for child and adult literacy that are integrated with other CSS or Human Capital programming.

**Resident Leadership** - A sustainable community must have empowered residents who have the ability to assist in the planning and implementation process. Urban Strategies works directly with residents representing past and emerging community leadership to ensure that the local voice is broad and deep. We engage and cultivate prospective resident leaders to build their capacity to lead through targeted training programs, and we achieve our goals by building relationships with residents, earning trust and demonstrating excellence in our product.

**Workforce Development** - Residents of low-income communities often have multiple barriers to employment. Urban Strategies works directly with residents seeking to re-enter the workforce, connecting them to appropriate job and entrepreneurial opportunities, supporting the development of good work habits and professional conduct, and providing a set of supportive services to help them manage other areas of their lives that may impact their success at work.

### **General And Administrative**

Includes the functions necessary to maintain an equitable employment program; ensure an adequate working environment; provide coordination and articulation of the Organization's program strategy, secure proper administrative functioning of the Board of Directors and manage the financial and budgetary responsibilities of the Organization.

## **URBAN STRATEGIES, INC.**

---

### **Notes To Financial Statements (*Continued*)**

#### **Fundraising**

Provides the structure necessary to encourage and secure financial support from organizations, foundations, corporations and government entities.

#### **Expense Allocation**

Expenses are charged to program services and supporting activities on the basis of periodic time and expense studies. General and administrative expenses include those expenses that are not directly identifiable with any other specific function but provide for the overall support and direction of the Organization.

#### **Tax Status**

As the Organization constitutes a qualified not-for-profit organization under Section 501(c)(3) of the Internal Revenue Code, it is, therefore, exempt from federal income taxes.

The Organization follows accounting rules for uncertain tax positions, which require financial statement recognition of the impact of a tax position if a position is more likely than not of being sustained on audit, based on the technical merits of the position. The rules also provide guidance on measurement, derecognition, classification, interest and penalties, accounting in interim periods, transition, and disclosure requirements for uncertain tax positions. The Organization's tax returns for tax years 2009 and later remain subject to examination by taxing authorities.

## **2. Restricted Cash**

Cash accounts in the amount of \$249,906 and \$117,774 at December 31, 2012 and 2011, respectively, are to be used for a variety of programs for which the Organization has received funds, but has not yet spent.

## **3. Notes Receivable**

The Organization has made interest and noninterest bearing loans to certain partnerships. The Organization provides an allowance for potentially uncollectible loans if deemed necessary by management.

## URBAN STRATEGIES, INC.

---

### Notes To Financial Statements (*Continued*)

The Organization has loaned the proceeds of certain grant agreements to Laclede & Sarah Limited Partnership. One loan agreement provides for a loan of \$1,496,750 under a fourth mortgage. This nonrecourse loan is secured by a subordinate deed of trust and security agreement. The loan matures October 23, 2045 and bears an interest rate of 5.23%. Payments of principal and interest are to be made only from Surplus Cash, as defined in the agreement. No principal payments were received during 2012 or 2011. During 2012 and 2011, payments of \$6,017 and \$7,252, respectively, were received and applied against accrued interest. Accrued interest at December 31, 2012 and 2011 was \$670,120 and \$597,856, respectively. During 2012 and 2011, management has provided for an allowance for loan loss amounting to \$526,828 based on its estimate of probable loss.

In addition, during 2004, proceeds from two other grant agreements were also loaned to Laclede & Sarah Limited Partnership under a third mortgage loan agreement in the amount of \$1,909,000. This nonrecourse loan is secured by a third priority deed of trust and security agreement. The loan matures on October 23, 2045 and bears no interest. During 2012 and 2011, principal payments of \$6,017 and \$7,252, respectively, were received. This mortgage note has been discounted to its present value using a 5.23% interest rate.

During 2005, the Organization has loaned the proceeds of a certain grant agreement to Allen Market Lane Properties, L.P. under a loan agreement in the amount of \$721,000. This loan is unsecured and bears no interest. Principal is payable only from Surplus Cash, as defined in the agreement. The loan matures March 31, 2045. During 2012, principal payments of \$18,025 were received. No principal payments were received during 2011. This mortgage note has been discounted to its present value using a 5.23% interest rate.

During 2006, the Organization loaned the proceeds of a certain grant agreement to St. Louis Brewery Apartments, L.P. under a loan agreement in the amount of \$1,454,545. This loan is unsecured and bears no interest. Principal is payable only from Surplus Cash, as defined in the agreement. The loan matures July 1, 2046. No principal payments were received during 2012 or 2011. This mortgage note has been discounted to its present value using a 5.5% interest rate.



## URBAN STRATEGIES, INC.

---

### Notes To Financial Statements (*Continued*)

In addition, during 2006, the Organization loaned the proceeds of a certain grant agreement to Washington Apartments Properties, L.P. under a loan agreement in the amount of \$1,000,000. This loan is secured by a subordinate mortgage lien and bears no interest. Principal is payable only from Net Available Cash Flow and annual payments shall not be required in excess of \$25,000, as stated and defined in the agreement. The loan matures December 31, 2048. No principal payments were received during 2012. During 2011, a principal payment of \$7,473 was received. This mortgage note has been discounted to its present value using a 4.5% interest rate.

During 2008, the Organization loaned the proceeds of a certain grant agreement to Longfellow Phase I, L.P. (the Partnership) under a loan agreement in the amount of \$1,600,000. This nonrecourse loan is secured by a subordinate mortgage lien and a deed of trust. The loan matures on December 31, 2048 and bears an interest rate of 1%. Payments of principal and interest totaling \$3,000 are due annually from Net Available Cash Flow, in addition to a percentage of Net Available Cash Flow, as defined in the agreement with the Partnership. No principal or accrued interest payments were received during 2012 or 2011. Accrued interest as of December 31, 2012 and 2011 was \$49,677 and \$33,677, respectively. This mortgage note has been discounted to its present value using a 5% interest rate.

During 2008, West End Apartments Associates (West End), an entity affiliated with the Organization through common management, donated real property located in the City of St. Louis to Urban Strategies, Inc., subject to the deeds of trust securing the mortgage payable and note payable. Concurrently, Urban Strategies, Inc. sold the Project to Eichelberger Partners #19, LLC (Eichelberger 19) for approximately \$3,550,000. Sale proceeds were used for the repayment of the mortgage note payable and other obligations of the Project. After repayment of the mortgage note payable and other Project obligations, the remaining sale proceeds were loaned to Eichelberger 19 under a promissory note in the amount of \$2,040,699. The loan is unsecured, bears interest at an annual rate of 4.46%, and matures June 27, 2038. Beginning in 2009 and throughout the 30-year term of the loan, principal and interest are both abated annually so long as the property is used in accordance with the terms of the note. During 2012 and 2011, in both years, the abatement of principal and interest amounted to \$91,015 and \$68,023, respectively. Management has fully reserved the amount of this loan.

## URBAN STRATEGIES, INC.

---

### Notes To Financial Statements *(Continued)*

During 2008, the Organization loaned the proceeds of a certain grant agreement to Valentine Apartments, L.P. under a loan agreement in the amount of \$1,818,182. This loan is unsecured and bears no interest. Principal is payable only from Surplus Cash, as defined in the agreement. The loan matures upon the earlier of December 31, 2050 or upon sale or transfer of Valentine Apartments, L.P. No principal payments were received during 2012 or 2011. This mortgage note has been discounted to its present value using a 4.5% interest rate.

During 2008, the Organization loaned the proceeds of a certain grant agreement to Eichelberger Partners #1, LLC under a loan agreement in the amount of \$1,818,181. This loan is unsecured and bears interest at an annual rate of 4.45%. The loan matures December 31, 2018. Beginning in 2009 and throughout the 10-year term of the loan, principal and interest are both abated annually so long as the property is used in accordance with the terms of the note. During 2012 and 2011, in both years, the abatement of principal and interest amounted to \$181,818 and \$80,909, respectively. Management has fully reserved the amount of this loan.

During 2009, the Organization loaned the proceeds of a certain donation agreement to Eichelberger Partners #2, LLC under a loan agreement in the amount of \$890,000. This loan is unsecured and bears interest at an annual rate of 4.45%. The loan matures December 31, 2019. Beginning in 2010 and throughout the 10-year term of the loan, principal and interest will both be abated annually so long as the property is used in accordance with the terms of the note. During 2012 and 2011, the abatement of principal and interest amounted to \$89,000 and \$39,605, respectively. Management has fully reserved the amount of this loan.

## URBAN STRATEGIES, INC.

---

### Notes To Financial Statements (*Continued*)

During 2010, the Organization loaned the proceeds from the note payable to University Place Southeast, L.P. (UPSE) (Note 6) under a loan agreement in the amount of \$580,100. This loan is secured by a subordinate mortgage lien and bears no interest. Principal is payable only from Surplus Cash, as defined in the agreement. In addition, repayment on this note shall not commence until the loans to UPSE from the first and second priority mortgages have been repaid in full. Additionally, in the event that the Organization becomes obligated to pay any amount advanced by Bank of America, including interest, (Note 6), UPSE, at the option of the Organization must either reimburse the Organization for all amounts obligated to Bank of America or pay such amounts directly to Bank of America. The loan matures October 31, 2054. No principal payments were received during 2012 or 2011. Management has fully reserved the amount of this loan.

On September 27, 2012, the Organization was assigned a loan agreement from Grand Rock Community Economic Development Corporation (Grand Rock). The agreement was initially between Grand Rock and Blumeyer Associates, L.P. in the principal amount of \$2,136,510. This loan agreement was assigned to the Organization under the same terms on September 27, 2012. This nonrecourse loan is secured by a subordinate mortgage lien and a deed of trust. The loan bears no interest. Principal is payable only from Net Available Cash Flow, Net Proceeds or Condemnation Procedures, as defined in the agreement. The loan matures July 29, 2050. No principal payments were received during 2012. Management has fully reserved the amount of this loan.

During 2012, the Organization was assigned a loan agreement from Grand Rock Community Economic Development Corporation (Grand Rock). The agreement was initially between Grand Rock and Blumeyer Associates III, L.P. in the principal amount of \$1,818,180. This loan agreement was assigned to the Organization under the same terms on September 27, 2012. This nonrecourse loan is secured by a subordinate mortgage lien and a deed of trust. The loan bears no interest. Principal is payable only from Net Available Cash Flow, Net Proceeds or Condemnation Procedures, as defined in the agreement. The loan matures February 18, 2062. No principal payments were received during 2012. Management has fully reserved the amount of this loan.

## URBAN STRATEGIES, INC.

---

### Notes To Financial Statements (*Continued*)

During 2012, the Organization was assigned a loan agreement from Grand Rock Community Economic Development Corporation (Grand Rock). The agreement was initially between Grand Rock and Blumeyer Associates IV, L P in the principal amount of \$2,181,818. This loan agreement was assigned to the Organization under the same terms on September 27, 2012. This nonrecourse loan is secured by a subordinate mortgage lien and a deed of trust. The loan bears no interest. Principal is payable only from Net Available Cash Flow, Net Proceeds or Condemnation Procedures, as defined in the agreement. The loan matures September 5, 2063. No principal payments were received during 2012. Management has fully reserved the amount of this loan.

During 2012, the Organization was assigned a loan agreement from St. Louis Association of Community Organizations (St. Louis Association). The agreement was initially between St. Louis Association and Westminster Place Phase IV, L.P in the principal amount of \$2,635,000. This loan agreement was assigned to the Organization under the similar terms on August 1, 2012. This nonrecourse loan is secured by a subordinate mortgage lien and a deed of trust to a maximum of \$635,000. The loan bears no interest. Principal is payable only from Net Cash Flow, as defined in the agreement. The loan matures December 1, 2047. No principal payments were received during 2012. This mortgage note has been discounted to its present value using a 4.5% interest rate. The loan assignment less the related discount totaling \$543,135 was recorded to revenue in 2012 and included in contribution and grant revenue.

**URBAN STRATEGIES, INC.****Notes To Financial Statements (Continued)**

The components of notes receivable are as follows.

	Face Amount	December 31,	
		2012	2011
Laclede & Sarah - 4th mortgage	\$ 1,496,750	\$ 1,496,750	\$ 1,496,750
Laclede & Sarah - 3rd mortgage	1,909,000	1,825,741	1,831,758
Allen Market Lane Properties	721,000	684,950	702,975
St Louis Brewery Apartments	1,454,545	1,454,545	1,454,545
Washington Apartments Properties, L P	1,000,000	987,634	987,634
Longfellow Phase I, L P	1,600,000	1,600,000	1,600,000
Eichelberger Partners #19, LLC (West End Apartments)	2,040,699	1,768,606	1,836,630
Valentine Apartments, L P	1,818,182	1,818,182	1,818,182
Eichelberger Partners #1, LLC (Goodfellow Place)	1,818,181	1,090,909	1,272,727
Eichelberger Partners #2, LLC (South Spring Avenue Apartments)	890,000	623,000	712,000
University Place Southeast, L P	580,100	580,100	580,100
Blumeyer Associates, L P	2,136,510	2,091,398	—
Blumeyer Associates III, L P	1,818,180	1,802,653	—
Blumeyer Associates IV, L P	2,181,818	2,180,665	—
Westminster Place Phase IV, L P	2,635,000	2,535,000	—
		22,540,133	14,293,301
Less Unamortized discount		8,850,077	6,967,631
Less Allowance for uncollectible amounts		10,664,159	4,928,285
Total		\$ 3,025,897	\$ 2,397,385

The amortization of the discount is being recognized as revenue over the terms of the loans. Amortization amounted to \$109,419 and \$79,157 for the years ended December 31, 2012 and 2011, respectively.

**URBAN STRATEGIES, INC.**

---

Notes To Financial Statements *(Continued)***4. Property And Equipment**

Property and equipment consist of:

	<b>December 31,</b>	
	<b>2012</b>	<b>2011</b>
Furniture and computer equipment	\$ 64,844	\$ 64,844
Leasehold improvements	9,202	9,202
	<b>74,046</b>	<b>74,046</b>
Accumulated depreciation and amortization	(26,763)	(16,725)
	<b>\$ 47,283</b>	<b>\$ 57,321</b>

Depreciation and amortization charged against revenues amounted to \$10,038 and \$10,037 for the years ended December 31, 2012 and 2011, respectively.

**5. Gain Contingency**

On June 28, 2010, the Organization made a grant to Eichelberger Partners #3, LLC (Property Owner) in the amount of \$900,000 using the proceeds of a donation received by the Organization. This grant to the Property Owner was made as a recoverable grant to be used for the rehabilitation of the property into affordable rental housing. The grant need not be repaid by the Property Owner to the Organization so long as the property is used and occupied for low-income affordable housing for a period of ten years through June 28, 2020 and remains in compliance with all of the terms and conditions set forth in the Land Use Restriction Agreement executed by the Organization, the Property Owner, and the Missouri Housing Development Commission. Should the property cease to be used and occupied for low-income affordable housing at any point prior to June 28, 2020, or should the Property Owner otherwise default on its obligations under the LURA, then the entire amount of the grant shall be repayable immediately by the Property Owner to the Organization with interest from June 28, 2010 at an annual rate of 4.45%.

## **6. Note Payable**

The Organization entered into a loan agreement with IFF, an Illinois not-for-profit corporation, to finance a major mixed-income housing project in a neighborhood that the Organization's activities will benefit directly. The \$150,000 note bears interest at the annual rate of 5%. The terms of the note called for monthly interest-only payments through the maturity date of November 1, 2011. During 2011, the note was extended to November 1, 2012 and during 2012, the note was extended to May 1, 2013. The note was guaranteed by McCormack Baron Salazar, Inc. (MBS) (Note 9). Interest expense amounted to \$7,500 and \$7,604, in 2012 and 2011, respectively. The note was repaid subsequent to year end (Note 12).

The Organization entered into a revolving line of credit agreement with Enterprise Bank & Trust. The agreement allows for maximum borrowings of \$250,000, is secured by a Commercial Security Agreement covering all assets, bears interest equal to the 1% over the Enterprise Bank Prime Rate (5.5% at December 31, 2012 and 2011), and expires on August 12, 2011. On August 12, 2011, the Organization renewed the line of credit agreement to expire on August 10, 2013. At December 31, 2012 and 2011, the outstanding borrowings amounted to \$250,000 and \$220,000, respectively.

The Organization entered into a loan agreement with Bank of America to act as sponsor of an affordable housing program (AHP) subsidy in the principal amount of \$580,100. The same day, the Organization made a corresponding loan with similar terms to UPSE also in the principal amount of \$580,100 (Note 3). The loan payable from Bank of America need not be repaid by the Organization so long as UPSE has been used and occupied for low-income affordable housing in accordance with the terms of the AHP Agreement through June 1, 2021. Should UPSE cease to be used and occupied for low-income affordable housing at any point prior to June 1, 2021 then the entire amount of the loan shall be payable to Bank of America on October 31, 2054, when the loan matures. The security agreement with UPSE on its note payable to the Organization has been assigned to Bank of America as collateral on the Organization's note payable. The loan bears no interest. The loan payable has not been recorded by the Organization.

**URBAN STRATEGIES, INC.**Notes To Financial Statements *(Continued)***7. Net Assets**

Temporarily restricted net assets are subject to the following donor-imposed purpose and time restrictions:

	December 31,	
	2012	2011
C J Peete/New Orleans Program	\$ 46,004	\$ 46,684
C J Peete/Lafon School	40,000	55,470
C J Peete/Family Support	39,902	—
C J Peete/Harmony Oaks	—	115,747
C J Peete/Parent Program	—	11,104
C J Peete/Kellog Program	—	262,888
Enterprise Holdings	—	150,000
Iron Mom Foundation	32,359	32,359
Scott Carver Construction Training Program	—	11,887
Murphy Park Early Childhood	1,345,000	25,000
Sheltering Arms	5,775	2,150
GKC Community Foundation	2,469	20,000
Alice Griffith	17,770	—
Choice Achievement Zone Implementation Program	26,620	—
COVAM	1,198	—
Pathways to Employment	17,431	—
Other programs	18,436	6,695
	<b>\$ 1,592,964</b>	<b>\$ 739,984</b>



**URBAN STRATEGIES, INC.****Notes To Financial Statements (Continued)**

Net assets were released from donor-imposed restrictions as follows

	<b>December 31,</b>	
	<b>2012</b>	<b>2011</b>
C J Peete/New Orleans Program	\$ 681	\$ —
C J Peete/Lafon School	15,470	—
C J Peete/Family Support	135,098	195,639
C J Peete/Parent Program	30,105	38,164
C J Peete/Harmony Oaks	340,747	639,569
C J Peete/Early Childhood Learning	262,887	—
Envisioning Home Documentary	50,000	—
Alice Griffith	22,230	—
Choice Achievement Zone Implementation Program	33,380	—
COVAM	8,802	—
Pathways to Employment	22,569	—
Creative Works Funds	40,200	—
Scott Carver Construction Training Program	11,887	54,164
Murphy Park Early Childhood	175,000	—
Sheltering Arms	6,374	—
GKC Community Foundation	17,531	—
Other programs	14,259	1,714
	<b>\$ 1,187,220</b>	<b>\$ 929,250</b>

**8. Leases**

The Organization leases certain portions of its equipment and its office facilities under operating lease arrangements. The future minimum lease payments under noncancellable operating leases at December 31, 2012 are as follows.

<b>Year</b>	<b>Amount</b>
2013	\$ 64,236
2014	59,885
2015	55,860
2016	27,930
	<b>\$ 207,911</b>

Occupancy expense amounted to \$72,361 and \$69,139 during 2012 and 2011, respectively

**9. Related Party Transactions**

At December 31, 2012 and 2011, unpaid advances due from Urban Strategies - Memphis, a company affiliated through common management, amounted to \$8,419 and \$77,266, respectively. These amounts are included in due to affiliates.

At December 31, 2012 and 2011, unpaid advances due from COVAM Community Development Corporation (COVAM), a not-for-profit entity affiliated with the Organization through common management, amounted to \$130,288 and \$73,360, respectively. These amounts are included in due to affiliates. In addition, during 2011, the Organization contributed \$25,000 to COVAM all of which is payable and included in accounts payable and accrued expenses at December 31, 2012 and 2011.

The Organization currently supplies credit cards to employees to use for travel and miscellaneous project expenses. From time to time, personal charges are incurred, which results in a receivable in one month that is repaid by the employee the following month. This is not a loan from the Organization but rather a short-term operating advance with a balance that is strictly related to the timing of the reimbursement. At December 31, 2012 and 2011, the receivable amounted to \$11,431 and \$8,544, respectively. This amount is included in accounts receivable.

The Organization contributes employee services to COVAM. The associated salaries, payroll taxes, and benefits of \$82,516 and \$58,501 have been included in contributions expense for the years ended December 31, 2012 and 2011, respectively.

**10. Economic Concentration**

During 2012 and 2011, the Organization received program revenues of \$2,305,751 and \$1,920,661, respectively, from MBS and \$917,721 and \$743,186, respectively, from MBRMS. Both companies are owned by MBA Properties, Inc. (MBA) and together comprised 68% and 66% of program revenues in 2012 and 2011, respectively. In addition, MBS periodically advances funds to the Organization to cover operating costs.

At December 31, 2012 and 2011, unpaid advances due to MBS amounted to \$532,915 and \$263,288, respectively. These amounts are included in other liabilities. In addition, during 2011, the Organization advanced MBS \$102,533 for a project. The entire amount was repaid during 2012. At December 31, 2011, the entire amount was receivable and included in accounts receivable, net of allowance.

## **URBAN STRATEGIES, INC.**

---

### **Notes To Financial Statements (*Continued*)**

As discussed in Note 3, the Organization has made loans to Laclede & Sarah Limited Partnership, Allen Market Lane Properties, L P , St. Louis Brewery Apartments, L.P , Longfellow Phase I, L P., Valentine Apartments, L.P , Washington Apartment Properties, L.P , University Place Southeast, L P., Blumeyer Associates, L.P., Blumeyer Associates III, L.P , Blumeyer Associates IV, L.P., and Westminster Place Phase IV, L P , entities affiliated with MBA the Organization through common management.

MBS guaranteed payment of the \$150,000 note payable to IFF (Note 6). Additionally, MBS guaranteed performance of the Organization of all covenants, conditions, terms and obligations under the note and certain other costs and expenses that may become payable by the Organization under the note agreement.

The Organization has an agreement with MBS to receive human resources and information technology support services on an as-needed basis. MBS is committed to making services available to the Organization to aid in its daily business operations in exchange for a monthly fee in the amount of \$350 This agreement expires on June 31, 2016.

Future operations could be affected by changes in the economic condition of MBS, MBRMS or their parent company MBA

### **11. Deferred Compensation Plan**

The Organization has a 401(k) savings plan (the Plan) covering eligible full-time employees The 401(k) feature of the plan allows participants to defer a portion of eligible compensation on a tax-deferred basis. The Plan provides for a contribution of 3% of base salary to all eligible full-time employees. The contribution amounted to \$32,152 and \$32,388 in 2012 and 2011, respectively.

### **12. Prior Period Adjustment**

The accompanying financial statements for 2011 financial statements have been restated to correct an error in the recording of planning expenses and accounts receivable, net of allowance. Planning expenses previously expensed will be reimbursed and therefore are receivable Accounts receivable, net of allowance was increased by \$104,481, planning expense was decreased by \$10,303, and net assets were increased by \$94,178 The increase in net assets for the year ended December 31, 2011 was increased by \$10,303

**13. Subsequent Events**

On March 15, 2013, the IFF note payable was paid in full. In addition, on May 17, 2013, the Organization entered into a contract for \$80,760 for computer software

Management has evaluated subsequent events through September 30, 2013, the date which the financial statements were available for use.



RubinBrown LLP  
Certified Public Accountants  
& Business Consultants

One North Brentwood  
Saint Louis, MO 63105

T 314 290 3300  
F 314 290 3400

W rubinbrown.com  
E info@rubinbrown.com

## **Independent Auditors' Report On Supplementary Information**

Board of Directors  
Urban Strategies, Inc  
St. Louis, Missouri

We have audited the financial statements of Urban Strategies, Inc. as of and for the years ended December 31, 2012 and 2011, and our report thereon dated September 30, 2013, which expressed an unqualified opinion on those financial statements, appears on pages 1 and 2. Our audits were conducted for the purpose of forming an opinion on the financial statements as a whole. The schedules of program revenues and expenses, which are the responsibility of management, are presented for purposes of additional analysis and are not a required part of the financial statements. Such information has not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on it.

*RubinBrown LLP*

September 30, 2013

**URBAN STRATEGIES, INC.**  
**SCHEDULE OF PROGRAM REVENUES**

	For The Years Ended December 31,	
	2012	2011
<b>Planning</b>		
New Orleans (C J Peete)	\$ 46,416	\$ 36,692
Iberville	—	199,355
McCormack Baron Salazar New Business	110,333	51,388
Memphis Choice Neighborhood Planning	32,000	—
Galveston	8,792	171,497
Vance Choice Neighborhood Planning	12,023	—
Early Childhood Education Center (Murphy Park)	60,570	—
Miscellaneous consulting	49,520	7,544
	<b>319,654</b>	<b>466,476</b>
<b>Integrated Service Delivery</b>		
Clearborn Homes	549,299	425,893
Alrington Grove	5,000	—
San Francisco Opportunity Center	37,480	—
Texaco Section 3	5,300	—
North Sarah	260,398	173,768
Scott Carver Project	169,863	243,369
Minneapolis Near Northside/Hollman Project	50,400	50,100
Blumeyer Project Community Activities Building	—	28,519
Lamar Terrace	—	107,401
Dixie Homes	—	172,804
Hunter's View	309,994	314,277
Alice Griffith	648,660	418,572
Iberville	394,399	117,084
Senior Services	64,941	75,001
Aliso Village	258,675	237,797
New Orleans (C J Peete)	1,029,910	691,283
	<b>3,784,319</b>	<b>3,055,868</b>
<b>Leadership Development And Sustainability</b>		
COVAM	61,692	55,492
Blumeyer Project	100,086	41,300
Alrington/North Sarah Liaison	2,885	—
Blumeyer Scholarship Fund	9,327	—
Green Streets	398,321	297,056
Green Training	—	20,000
Green Jobs Consulting	—	4,428
Succeeding with Reading	6,725	7,620
Memphis OTHC	—	10,000
Minneapolis	3,909	—
New Orleans Innovative Workforce Program	69,450	—
Technology & Community Youth Education Program	—	14,500
Heritage Park	41,532	19,124
SIF Family Rewards	33,657	14,033
Sustainability Services	—	39,822
	<b>727,584</b>	<b>523,375</b>
	<b>\$ 4,831,557</b>	<b>\$ 4,045,719</b>

# URBAN STRATEGIES, INC.

## SCHEDULE OF EXPENSES For The Year Ended December 31, 2012

	Planning	Integrated Service Delivery	Policy Development	Leadership Development And Sustainability	Total Program Services	General And Administrative	Fundraising	Total
Salaries	\$ 185,313	\$ 2,384,144	\$ —	\$ 461,495	\$ 3,030,952	\$ 167,765	\$ 89,343	\$ 3,288,060
Payroll taxes	14,091	190,168	—	35,304	239,563	12,865	6,793	259,221
Employee benefits	18,731	223,830	—	43,180	285,741	16,393	9,030	311,164
Bad debt expense	—	—	—	—	—	59,375	—	59,375
Community center support	5,768	865,409	—	437,148	1,308,325	—	—	1,308,325
Computer supplies	1,916	60,121	—	3,072	65,109	1,676	923	67,708
Consultants	1,327	222,743	50,000	59,538	333,608	—	—	333,608
Contributions	5,173	19,413	—	5,689	30,275	4,528	2,494	37,297
Depreciation and loss on disposal of fixed assets	1,451	5,023	—	1,595	8,069	1,270	699	10,038
Dues and subscriptions	2,091	7,612	—	2,300	12,003	1,830	1,008	14,841
Education and seminars	10	26,560	—	—	26,570	—	—	26,570
Insurance	7,024	37,662	—	7,725	52,411	6,148	3,386	61,945
Leases	1,187	75,065	—	2,195	78,447	1,039	572	80,058
Marketing and advertising	1,946	10,591	—	8,837	21,374	1,703	938	24,015
Miscellaneous	5,489	67,915	—	7,729	81,133	4,804	2,646	88,583
Occupancy	10,457	31,298	—	11,500	53,255	9,152	5,041	67,448
Office expenses	1,940	151,298	—	4,252	157,490	9,293	712	167,495
Professional fees	31,603	112,934	—	32,528	177,065	36,240	14,031	227,336
Telephone	3,756	74,649	—	5,968	84,373	3,287	1,810	89,470
Travel	22,081	252,954	—	32,719	307,754	15,451	8,511	331,716
	\$ 321,354	\$ 4,819,389	\$ 50,000	\$ 1,162,774	\$ 6,353,517	\$ 352,819	\$ 147,937	\$ 6,854,273

# URBAN STRATEGIES, INC.

## SCHEDULE OF EXPENSES For The Year Ended December 31, 2011 (As Restated - Note 11)

	Planning	Integrated Service Delivery	Leadership Development And Sustainability	Total Program Services	General And Administrative	Fundraising	Total
Salaries	\$ 233,130	\$ 1,836,782	\$ 193,877	\$ 2,263,789	\$ 153,769	\$ 20,948	\$ 2,438,506
Payroll taxes	17,167	141,140	11,767	170,074	11,411	895	182,380
Employee benefits	18,556	126,849	13,745	159,150	13,563	1,064	173,777
Community center support	91,782	820,629	364,997	1,277,408	—	—	1,277,408
Computer supplies	2,657	11,094	1,240	14,991	2,057	161	17,209
Consultants	94,768	346,553	19,826	461,147	—	—	461,147
Contributions	14,966	42,855	4,649	62,470	7,714	605	70,789
Depreciation and loss on disposal of fixed assets	1,550	6,470	723	8,743	1,200	94	10,037
Dues and subscriptions	1,798	7,508	839	10,145	1,392	109	11,646
Education and seminars	—	3,823	1,115	4,938	—	—	4,938
Insurance	2,517	22,308	1,324	26,149	1,948	153	28,250
Leases	1,548	6,462	722	8,732	1,198	94	10,024
Marketing and advertising	1,583	20,252	3,516	25,351	1,109	87	26,547
Miscellaneous	3,897	16,272	1,818	21,987	3,016	237	25,240
Occupancy	12,176	56,942	4,981	74,099	8,264	648	83,011
Office expenses	10,229	120,248	4,112	134,589	2,978	234	137,801
Professional fees	21,413	97,686	14,002	133,101	16,386	41,926	191,413
Telephone	4,468	61,917	2,562	68,947	2,774	218	71,939
Travel	71,720	214,299	7,833	293,852	7,141	561	301,554
	\$ 605,925	\$ 3,960,089	\$ 653,648	\$ 5,219,662	\$ 235,920	\$ 68,034	\$ 5,523,616